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49 USC CHAPTER 701 - COMMERCIAL SPACE LAUNCH ACTIVITIES
TITLE 49 - TRANSPORTATION
SUBTITLE IX - COMMERCIAL SPACE TRANSPORTATION
CHAPTER 701 - COMMERCIAL SPACE LAUNCH ACTIVITIES

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Sec. 70101. Findings and purposes

(a) Findings. - Congress finds that -

(1) the peaceful uses of outer space continue to be of great
value and to offer benefits to all mankind;

(2) private applications of space technology have achieved a
significant level of commercial and economic activity and offer
the potential for growth in the future, particularly in the
United States;

(3) new and innovative equipment and services are being sought,
produced, and offered by entrepreneurs in telecommunications,
information services, microgravity research, human space flight,
and remote sensing technologies;

(4) the private sector in the United States has the capability
of developing and providing private launching, reentry,
and associated services that would complement the launching,
reentry, and associated capabilities of the United

1 States Government;

2 (5) the development of commercial launch vehicles, reentry
3 vehicles, and associated services would enable the United States
4 to retain its competitive position internationally, contributing
5 to the national interest and economic well-being of the United
6 States;

7 (6) providing launch services and reentry services by the
8 private sector is consistent with the national security and
9 foreign policy interests of the United States and would be
10 facilitated by stable, minimal, and appropriate regulatory
11 guidelines that are fairly and expeditiously applied;

12 (7) the United States should encourage private sector launches,
13 reentries, and associated services and, only to the extent
14 necessary, regulate those launches, reentries, and services to
15 ensure compliance with international obligations of the United
16 States and to protect the public health and safety, safety of
17 property, and national security and foreign policy interests of
18 the United States;

19 (8) space transportation, including the establishment and
20 operation of launch sites, reentry sites, and complementary
21 facilities, the providing of launch services and reentry
22 services, the establishment of support facilities, and the
23 providing of support services, is an important element of the
24 transportation system of the United States, and in connection
25 with the commerce of the United States there is a need to develop
26 a strong space transportation infrastructure with significant
27 private sector involvement;

28 (9) the participation of State governments in encouraging and
29 facilitating private sector involvement in space-related
30 activity, particularly through the establishment of a space
31 transportation-related infrastructure, including launch sites,
32 reentry sites, complementary facilities, and launch site and
33 reentry site support facilities, is in the national interest and
34 is of significant public benefit;

35 (10) the goal of safely opening space to the American people and
36 their private commercial, scientific, and cultural enterprises
37 should guide Federal space investments, policies, and regulations;

38 (11) private industry has begun to develop commercial launch
39 vehicles capable of carrying human beings into space and greater
40 private investment in these efforts will stimulate the Nation's
41 commercial space transportation industry as a whole;

42 (12) space transportation is inherently risky, and the future
43 of the commercial human space flight industry will depend on its
44 ability to continually improve its safety performance;

45 (13) a critical area of responsibility for the Department of
46 Transportation is to regulate the operations and safety of the
47 emerging commercial human space flight industry;

48 (14) the public interest is served by creating a clear
49 legal, regulatory, and safety regime for commercial human space
50 flight; and

51 (15) the regulatory standards governing human space flight
52 must evolve as the industry matures so that regulations neither
53 stifle technology development nor expose crew or space flight
54 participants to avoidable risks as the public comes to expect
55 greater safety for crew and space flight participants from the
56 industry.

57 (b) Purposes. - The purposes of this chapter are -

- (1) to promote economic growth and entrepreneurial activity through use of the space environment for peaceful purposes;
- (2) to encourage the United States private sector to provide launch vehicles, reentry vehicles, and associated services by -
 - (A) simplifying and expediting the issuance and transfer of commercial licenses;
 - (B) facilitating and encouraging the use of Government-developed space technology; and
 - (C) promoting the continuous improvement of the safety of launch vehicles designed to carry humans, including through the issuance of regulations, to the extent permitted by this chapter;
- (3) to provide that the Secretary of Transportation is to oversee and coordinate the conduct of commercial launch and reentry operations, issue permits and commercial licenses and transfer commercial licenses authorizing those operations, and protect the public health and safety, safety of property, and national security and foreign policy interests of the United States; and
- (4) to facilitate the strengthening and expansion of the United States space transportation infrastructure, including the enhancement of United States launch sites and launch-site support facilities, and development of reentry sites, with Government, State, and private sector involvement, to support the full range of United States space-related activities.

Sec. 70102. Definitions

In this chapter -

- (1) "citizen of the United States" means -
 - (A) an individual who is a citizen of the United States;
 - (B) an entity organized or existing under the laws of the United States or a State; or
 - (C) an entity organized or existing under the laws of a foreign country if the controlling interest (as defined by the Secretary of Transportation) is held by an individual or entity described in subclause (A) or (B) of this clause.
- (2) 'crew' means any employee of a licensee or transferee, or of a contractor or subcontractor of a licensee or transferee, who performs activities in the course of that employment directly relating to the launch, reentry, or other operation of or in a launch vehicle or reentry vehicle that carries human beings.
- (3) "executive agency" has the same meaning given that term in section 105 of title 5.
- (4) "launch" means to place or try to place a launch vehicle or reentry vehicle and any payload, crew, or space flight participant from Earth -
 - (A) in a suborbital trajectory;
 - (B) in Earth orbit in outer space; or
 - (C) otherwise in outer space,including activities involved in the preparation of a launch vehicle or payload for launch, when those activities take place at a launch site in the United States.
- (5) "launch property" means an item built for, or used in, the launch preparation or launch of a launch vehicle.
- (6) "launch services" means -
 - (A) activities involved in the preparation of a launch

1 vehicle, payload, crew (including crew training), or space
2 flight participant for launch; and
3 (B) the conduct of a launch.
4 (7) "launch site" means the location on Earth from which a
5 launch takes place (as defined in a license the Secretary issues
6 or transfers under this chapter) and necessary facilities at that
7 location.
8 (8) "launch vehicle" means -
9 (A) a vehicle built to operate in, or place a payload or human
10 beings in, outer space; and
11 (B) a suborbital rocket.
12 (9) "obtrusive space advertising" means advertising in outer
13 space that is capable of being recognized by a human being on the
14 surface of the Earth without the aid of a telescope or other
15 technological device.
16 (10) "payload" means an object that a person undertakes to
17 place in outer space by means of a launch vehicle or reentry
18 vehicle, including components of the vehicle specifically
19 designed or adapted for that object.
20 (11) except in section 70104(c), 'permit' means an experimental
21 permit issued under section 70105a.
22 (12) "person" means an individual and an entity organized or
23 existing under the laws of a State or country.
24 (13) "reenter" and "reentry" mean to return or attempt to
25 return, purposefully, a reentry vehicle and its payload, crew, or
26 space flight participants, if any, from Earth orbit or from outer
27 space to Earth.
28 (14) "reentry services" means -
29 (A) activities involved in the preparation of a reentry
30 vehicle payload, crew (including crew training),
31 or space flight participant, if any, for reentry; and
32 (B) the conduct of a reentry.
33 (15) "reentry site" means the location on Earth to which a
34 reentry vehicle is intended to return (as defined in a license
35 the Secretary issues or transfers under this chapter).
36 (16) "reentry vehicle" means a vehicle designed to return
37 from Earth orbit or outer space to Earth, or a reusable launch
38 vehicle designed to return from Earth orbit or outer space to
39 Earth, substantially intact.
40 (17) 'space flight participant' means an individual, who is
41 not crew, carried within a launch vehicle or reentry vehicle.
42 (18) "State" means a State of the United States, the District
43 of Columbia, and a territory or possession of the United States.
44 (19) unless and until regulations take effect under section
45 70120(c)(2), 'suborbital rocket' means a vehicle, rocket-propelled
46 in whole or in part, intended for flight on a suborbital
47 trajectory, and the thrust of which is greater than its lift
48 for the majority of the rocket-powered portion of its ascent.
49 (20) 'suborbital trajectory' means the intentional flight path
50 of a launch vehicle, reentry vehicle, or any portion thereof,
51 whose vacuum instantaneous impact point does not leave the
52 surface of the Earth.
53 (21) "third party" means a person except -
54 (A) the United States Government or the Government's
55 contractors or subcontractors involved in launch services or
56 reentry services;
57 (B) a licensee or transferee under this chapter;

1 (C) a licensee's or transferee's contractors, subcontractors,
2 or customers involved in launch services or reentry services;

3 (D) the customer's contractors or subcontractors involved in
4 launch services or reentry services; or

5 (E) crew or space flight participants.

6 (22) "United States" means the States of the United States,
7 the District of Columbia, and the territories and possessions of
8 the United States.

9 10 **Sec. 70103. General authority**

11
12 (a) General. - The Secretary of Transportation shall carry out
13 this chapter.

14 (b) Facilitating Commercial Launches and Reentries. - In carrying
15 out this chapter, the Secretary shall -

16 (1) encourage, facilitate, and promote commercial space
17 launches and reentries by the private sector including those
18 involving space flight participants; and

19 (2) take actions to facilitate private sector involvement in
20 commercial space transportation activity, and to promote
21 public-private partnerships involving the United States
22 Government, State governments, and the private sector to build,
23 expand, modernize, or operate a space launch and reentry
24 infrastructure.

25 (c) Safety. - In carrying out the responsibilities under
26 subsection (b), the Secretary shall encourage, facilitate, and
27 promote the continuous improvement of the safety of launch
28 vehicles designed to carry humans, and the Secretary may,
29 consistent with this chapter, promulgate regulations to carry
30 out this subsection.

31 (d) Executive Agency Assistance. - When necessary, the head of an
32 executive agency shall assist the Secretary in carrying out this
33 chapter.

34 35 **Sec. 70104. Restrictions on launches, operations, and reentries**

36
37 (a) Requirement. - A license issued or transferred under
38 this chapter, or a permit, is required for the following:

39 (1) for a person to launch a launch vehicle or to operate a
40 launch site or reentry site, or to reenter a reentry vehicle, in
41 the United States.

42 (2) for a citizen of the United States (as defined in section
43 70102(1)(A) or (B) of this title) to launch a launch vehicle or
44 to operate a launch site or reentry site, or to reenter a reentry
45 vehicle, outside the United States.

46 (3) for a citizen of the United States (as defined in section
47 70102(1)(C) of this title) to launch a launch vehicle or to
48 operate a launch site or reentry site, or to reenter a reentry
49 vehicle, outside the United States and outside the territory of a
50 foreign country unless there is an agreement between the United
51 States Government and the government of the foreign country
52 providing that the government of the foreign country has
53 jurisdiction over the launch or operation or reentry.

54 (4) for a citizen of the United States (as defined in section
55 70102(1)(C) of this title) to launch a launch vehicle or to
56 operate a launch site or reentry site, or to reenter a reentry
57 vehicle, in the territory of a foreign country if there is an

1 agreement between the United States Government and the government
2 of the foreign country providing that the United States
3 Government has jurisdiction over the launch or operation or
4 reentry. **Notwithstanding this subsection, a permit shall not**
5 **authorize a person to operate a launch site or reentry site.**

6 (b) Compliance With Payload Requirements. - The holder of a
7 license **or permit** under this chapter may launch or reenter a payload only
8 if the payload complies with all requirements of the laws of the
9 United States related to launching or reentering a payload.

10 (c) Preventing Launches and Reentries. - The Secretary of
11 Transportation shall establish whether all required licenses,
12 authorizations, and permits required for a payload have been
13 obtained. If no license, authorization, or permit is required, the
14 Secretary may prevent the launch or reentry if the Secretary
15 decides the launch or reentry would jeopardize the public health
16 and safety, safety of property, or national security or foreign
17 policy interest of the United States.

18 (d) **Single License or Permit.**—The Secretary of Transportation
19 **shall ensure that only 1 license or permit is required from the**
20 **Department of Transportation to conduct activities involving crew**
21 **or space flight participants, including launch and reentry, for**
22 **which a license or permit is required under this chapter. The**
23 **Secretary shall ensure that all Department of Transportation**
24 **regulations relevant to the licensed or permitted activity are**
25 **satisfied.**

26 **Sec. 70105. License applications and requirements**

27
28
29 (a) Applications. - (1) A person may apply to the Secretary of
30 Transportation for a license or transfer of a license under this
31 chapter in the form and way the Secretary prescribes. Consistent
32 with the public health and safety, safety of property, and national
33 security and foreign policy interests of the United States, the
34 Secretary, not later than 180 days after receiving an application,
35 shall issue or transfer a license if the Secretary decides in
36 writing that the applicant complies, and will continue to comply,
37 with this chapter and regulations prescribed under this chapter.
38 The Secretary shall inform the applicant of any pending issue and
39 action required to resolve the issue if the Secretary has not made
40 a decision not later than 120 days after receiving an application.
41 The Secretary shall transmit to the Committee on Science of the
42 House of Representatives and the Committee on Commerce, Science,
43 and Transportation of the Senate a written notice not later than 30
44 days after any occurrence when **the Secretary has not taken action**
45 **on a license application** within the deadline established by this
46 subsection.

47 (2) In carrying out paragraph (1), the Secretary may establish
48 procedures for safety approvals of launch vehicles, reentry
49 vehicles, safety systems, processes, services, or personnel
50 **(including approval procedures for the purpose of protecting the**
51 **health and safety of crews and space flight participants, to the**
52 **extent permitted by subsections (b) and (c))** that may be used in
53 conducting licensed commercial space launch or reentry activities.

54 (b) Requirements. - (1) Except as provided in this subsection,
55 all requirements of the laws of the United States applicable to the
56 launch of a launch vehicle or the operation of a launch site or a
57 reentry site, or the reentry of a reentry vehicle, are requirements

1 for a license or permit under this chapter.

2 (2) The Secretary may prescribe -

3 (A) any term necessary to ensure compliance with this chapter,
4 including on-site verification that a launch, operation, or
5 reentry complies with representations stated in the application;

6 (B) any additional requirement necessary to protect the public
7 health and safety, safety of property, national security
8 interests, and foreign policy interests of the United States;

9 (C) by regulation that a requirement of a law of the United
10 States not be a requirement for a license or permit if the
11 Secretary, after consulting with the head of the appropriate
12 executive agency, decides that the requirement is not necessary
13 to protect the public health and safety, safety of property,
14 and national security and foreign policy interests of the United
15 States;

16 (D) additional license requirements, for a launch vehicle
17 carrying a human being for compensation or hire, necessary to
18 protect the health and safety of crew or space flight participants,
19 only if such requirements are imposed pursuant to final regulations
20 issued in accordance with subsection (c); and

21 (E) regulations establishing criteria for accepting or rejecting
22 an application for a license or permit under this chapter within
23 60 days after receipt of such application.

24 (3) The Secretary may waive a requirement, including the
25 requirement to obtain a license, for an individual applicant if the
26 Secretary decides that the waiver is in the public interest and
27 will not jeopardize the public health and safety, safety of
28 property, and national security and foreign policy interests of the
29 United States. The Secretary may not grant a waiver under this
30 paragraph that would permit the launch or reentry of a launch
31 vehicle or a reentry vehicle without a license or permit if a
32 human being will be on board.

33 (4) The holder of a license or a permit under this chapter may
34 launch or reenter crew only if-

35 (A) the crew has received training and has satisfied medical
36 or other standards specified in the license or permit in
37 accordance with regulations promulgated by the Secretary;

38 (B) the holder of the license or permit has informed any
39 individual serving as crew in writing, prior to executing any
40 contract or other arrangement to employ that individual (or, in
41 the case of an individual already employed as of the date of
42 enactment of the Commercial Space Launch Amendments Act of 2004,
43 as early as possible, but in any event prior to any launch in
44 which the individual will participate as crew), that the United
45 States Government has not certified the launch vehicle as safe
46 for carrying crew or space flight participants; and

47 (C) the holder of the license or permit and crew have complied
48 with all requirements of the laws of the United States that apply
49 to crew.

50 (5) The holder of a license or a permit under this chapter may
51 launch or reenter a space flight participant only if-

52 (A) in accordance with regulations promulgated by the Secretary,
53 the holder of the license or permit has informed the space flight
54 participant in writing about the risks of the launch and reentry,
55 including the safety record of the launch or reentry vehicle type,
56 writing of any relevant information related to risk or probable
57 loss during each phase of flight gathered by the Secretary in making

the determination required by section 70112(a)(2) and (c);

(B) the holder of the license or permit has informed any space flight participant in writing, prior to receiving any compensation from that space flight participant or (in the case of a space flight participant not providing compensation) otherwise concluding any agreement to fly that space flight participant, that the United States Government has not certified the launch vehicle as safe for carrying crew or space flight participants;

(C) in accordance with regulations promulgated by the Secretary, the space flight participant has provided written informed consent to participate in the launch and reentry and written certification of compliance with any regulations promulgated under paragraph (6)(A); and

(D) the holder of the license or permit has complied with any regulations promulgated by the Secretary pursuant to paragraph (6).

(6)(A) The Secretary may issue regulations requiring space flight participants to undergo an appropriate physical examination prior to a launch or reentry under this chapter. This subparagraph shall cease to be in effect three years after the date of enactment of the Commercial Space Launch Amendments Act of 2004.

(B) The Secretary may issue additional regulations setting reasonable requirements for space flight participants, including medical and training requirements. Such regulations shall not be effective before the expiration of 3 years after the date of enactment of the Commercial Space Launch Amendments Act of 2004.

(c) Safety Regulations.— (1) The Secretary may issue regulations governing the design or operation of a launch vehicle to protect the health and safety of crew and space flight participants.

(2) Regulations issued under this subsection shall—

(A) describe how such regulations would be applied when the Secretary is determining whether to issue a license under this chapter;

(B) apply only to launches in which a vehicle will be carrying a human being for compensation or hire;

(C) be limited to restricting or prohibiting design features or operating practices that—

(i) have resulted in a serious or fatal injury (as defined in 49 CFR 830, as in effect on November 10, 2004) to crew or space flight participants during a licensed or permitted commercial human space flight; or

(ii) contributed to an unplanned event or series of events during a licensed or permitted commercial human space flight (as defined in 49 CFR 830, as in effect on November 10, 2004) to crew or space flight participants; and

(D) be issued with a description of the instance or instances when the design feature or operating practice being restricted or prohibited contributed to a result or event described in subparagraph (C).

(3) Beginning 8 years after the date of enactment of the Commercial Space Launch Amendments Act of 2004, the Secretary may propose regulations under this subsection without regard to paragraph (2)(C) and (D). Any such regulations shall take into consideration the evolving standards of safety in the commercial space flight industry.

(4) Nothing in this subsection shall be construed to limit the authority of the Secretary to issue requirements or regulations to protect the public health and safety, safety of property, national security interests, and foreign policy interests of

1 the United States.

2 (d) Procedures and Timetables. - The Secretary shall establish
3 procedures and timetables that expedite review of a license or
4 permit application and reduce the regulatory burden for an
5 applicant.
6

7 **Sec. 70105a. Experimental permits**
8

9 (a) A person may apply to the Secretary of Transportation for an
10 experimental permit under this section in the form and manner the
11 Secretary prescribes. Consistent with the protection of the public
12 health and safety, safety of property, and national security and
13 foreign policy interests of the United States, the Secretary, not
14 later than 120 days after receiving an application pursuant to this
15 section, shall issue a permit if the Secretary decides in writing
16 that the applicant complies, and will continue to comply, with this
17 chapter and regulations prescribed under this chapter. The Secretary
18 shall inform the applicant of any pending issue and action required
19 to resolve the issue if the Secretary has not made a decision not
20 later than 90 days after receiving an application. The Secretary
21 shall transmit to the Committee on Science of the House of
22 Representatives and Committee on Commerce, Science, and
23 Transportation of the Senate a written notice not later than
24 15 days after any occurrence when the Secretary has failed to
25 act on a permit within the deadline established by this section.

26 (b) In carrying out subsection (a), the Secretary may establish
27 procedures for safety approvals of launch vehicles, reentry vehicles,
28 safety systems, processes, services, or personnel that may be used
29 in conducting commercial space launch or reentry activities pursuant
30 to a permit.

31 (c) In order to encourage the development of a commercial space
32 flight industry, the Secretary may when issuing permits use the
33 authority granted under section 70105(b)(2)(C).

34 (d) The Secretary may issue a permit only for reusable suborbital
35 rockets that will be launched or reentered solely for—

36 (1) research and development to test new design concepts, new
37 equipment, or new operating techniques;

38 (2) showing compliance with requirements as part of the process
39 for obtaining a license under this chapter; or

40 (3) crew training prior to obtaining a license for a launch or
41 reentry using the design of the rocket for which the permit
42 would be issued.

43 (e) Permits issued under this section shall —

44 (1) authorize an unlimited number of launches and reentries for
45 a particular suborbital rocket design for the uses described in
46 subsection (d); and

47 (2) specify the type of modifications that may be made to the
48 suborbital rocket without changing the design to an extent that
49 would invalidate the permit.

50 (f) Permits shall not be transferable.

51 (g) A permit may not be issued for, and a permit that has
52 already been issued shall cease to be valid for, a particular design
53 for a reusable suborbital rocket after a license has been issued for
54 the launch or reentry of a rocket of that design.

55 (h) No person may operate a reusable suborbital rocket under a
56 permit for carrying any property or human being for compensation
57 or hire.

(i) For the purposes of sections 70106, 70107, 70108, 70109, 70110, 70112, 70115, 70116, 70117, and 70121 of this chapter—
(1) a permit shall be considered a license;
(2) the holder of a permit shall be considered a licensee;
(3) a vehicle operating under a permit shall be considered to be licensed; and
(4) the issuance of a permit shall be considered licensing.
This subsection shall not be construed to allow the transfer of a permit.

Sec. 70106. Monitoring activities

(a) General Requirements. - A licensee under this chapter must allow the Secretary of Transportation to place an officer or employee of the United States Government or another individual as an observer at a launch site or reentry site the licensee uses, at a production facility or assembly site a contractor of the licensee uses to produce or assemble a launch vehicle or reentry vehicle at a site used for crew or space flight participant training, or at a site at which a payload is integrated with a launch vehicle or reentry vehicle. The observer will monitor the activity of the licensee or contractor at the time and to the extent the Secretary considers reasonable to ensure compliance with the license or to carry out the duties of the Secretary under section 70104(c), 70105, and 70105a of this title. A licensee must cooperate with an observer carrying out this subsection.

(b) Contracts. - To the extent provided in advance in an appropriation law, the Secretary may make a contract with a person to carry out subsection (a) of this section.

Sec. 70107. Effective periods, and modifications, suspensions, and revocations, of licenses

(a) Effective Periods of Licenses. - The Secretary of Transportation shall specify the period for which a license issued or transferred under this chapter is in effect.

(b) Modifications. - (1) On the initiative of the Secretary or on application of the licensee, the Secretary may modify a license issued or transferred under this chapter if the Secretary decides the modification will comply with this chapter.

(2) The Secretary shall modify a license issued or transferred under this chapter whenever a modification is needed for the license to be in conformity with a regulation that was issued pursuant to section 70105(c) after the issuance of the license. This paragraph shall not apply to permits.

(c) Suspensions and Revocations. - The Secretary may suspend or revoke a license if the Secretary decides that -

(1) the licensee has not complied substantially with a requirement of this chapter or a regulation prescribed under this chapter; or

(2) the suspension or revocation is necessary to protect the public health and safety, the safety of property, or a national security or foreign policy interest of the United States.

(d) Additional Suspensions.—(1) The Secretary may suspend a license when a previous launch or reentry under the license has resulted in a serious or fatal injury (as defined in 49 CFR 830, as in effect on November 10, 2004) to crew or space flight

1 participants and the Secretary has determined that continued
2 operations under the license are likely to cause additional
3 serious or fatal injury (as defined in 49 CFR 830, as in effect
4 on November 10,2004) to crew or space flight participants.

5 (2) Any suspension imposed under this subsection shall be for
6 as brief a period as possible and,in any event, shall cease
7 when the Secretary—

8 (A) has determined that the licensee has taken sufficient
9 steps to reduce the likelihood of a recurrence of the serious
10 or fatal injury; or

11 (B) has modified the license pursuant to subsection (b) to
12 sufficiently reduce the likelihood of a recurrence of the
13 serious or fatal injury.

14 (3) This subsection shall not apply to permits.

15 (e) Effective Periods of Modifications, Suspensions, and
16 Revocations. - Unless the Secretary specifies otherwise, a
17 modification, suspension, or revocation under this section takes
18 effect immediately and remains in effect during a review under
19 section 70110 of this title.

20 (f) Notification. - The Secretary shall notify the licensee in
21 writing of the decision of the Secretary under this section and any
22 action the Secretary takes or proposes to take based on the
23 decision.

24 25 **Sec. 70108. Prohibition, suspension, and end of launches, operation** 26 **of launch sites and reentry sites, and reentries**

27
28 (a) General Authority. - The Secretary of Transportation may
29 prohibit, suspend, or end immediately the launch of a launch
30 vehicle or the operation of a launch site or reentry site, or
31 reentry of a reentry vehicle, licensed under this chapter if the
32 Secretary decides the launch or operation or reentry is detrimental
33 to the public health and safety, the safety of property, or a
34 national security or foreign policy interest of the United States.

35 (b) Effective Periods of Orders. - An order under this section
36 takes effect immediately and remains in effect during a review
37 under section 70110 of this title.

38 39 **Sec. 70109. Preemption of scheduled launches or reentries**

40
41 (a) General. - With the cooperation of the Secretary of Defense
42 and the Administrator of the National Aeronautics and Space
43 Administration, the Secretary of Transportation shall act to ensure
44 that a launch or reentry of a payload is not preempted from access
45 to a United States Government launch site, reentry site, or launch
46 property, except for imperative national need, when a launch date
47 commitment or reentry date commitment from the Government has been
48 obtained for a launch or reentry licensed under this chapter. A
49 licensee or transferee preempted from access to a launch site,
50 reentry site, or launch property does not have to pay the
51 Government any amount for launch services, or services related to a
52 reentry, attributable only to the scheduled launch or reentry
53 prevented by the preemption.

54 (b) Imperative National Need Decisions. - In consultation with
55 the Secretary of Transportation, the Secretary of Defense or the
56 Administrator shall decide when an imperative national need
57 requires preemption under subsection (a) of this section. That

1 decision may not be delegated.

2 (c) Reports. - In cooperation with the Secretary of
3 Transportation, the Secretary of Defense or the Administrator, as
4 appropriate, shall submit to Congress not later than 7 days after a
5 decision to preempt under subsection (a) of this section, a report
6 that includes an explanation of the circumstances justifying the
7 decision and a schedule for ensuring the prompt launching or
8 reentry of a preempted payload.
9

10 **Sec. 70109a. Space advertising**

11
12 (a) Licensing. - Notwithstanding the provisions of this chapter
13 or any other provision of law, the Secretary may not, for the
14 launch of a payload containing any material to be used for the
15 purposes of obtrusive space advertising -

- 16 (1) issue or transfer a license under this chapter; or
- 17 (2) waive the license requirements of this chapter.

18 (b) Launching. - No holder of a license under this chapter may
19 launch a payload containing any material to be used for purposes of
20 obtrusive space advertising.

21 (c) Commercial Space Advertising. - Nothing in this section shall
22 apply to nonobtrusive commercial space advertising, including
23 advertising on -

- 24 (1) commercial space transportation vehicles;
- 25 (2) space infrastructure payloads;
- 26 (3) space launch facilities; and
- 27 (4) launch support facilities.

28 29 **Sec. 70110. Administrative hearings and judicial review**

30
31 (a) Administrative Hearings. - The Secretary of Transportation
32 shall provide an opportunity for a hearing on the record to -

33 (1) an applicant under this chapter, for a decision of the
34 Secretary under section 70105(a) or 70105a of this title to issue or
35 transfer a license with terms or deny the issuance or transfer of
36 a license;

37 (2) an owner or operator of a payload under this chapter, for a
38 decision of the Secretary under section 70104(c) of this title to
39 prevent the launch or reentry of the payload; and

40 (3) a licensee under this chapter, for a decision of the
41 Secretary under -

42 (A) section 70107(b) or (c) of this title to modify, suspend,
43 or revoke a license; or

44 (B) section 70108(a) of this title to prohibit, suspend, or
45 end a launch or operation of a launch site or reentry site, or
46 reentry of a reentry vehicle, licensed by the Secretary.

47 (b) Judicial Review. - A final action of the Secretary under this
48 chapter is subject to judicial review as provided in chapter 7 of
49 title 5.
50

51 **Sec. 70111. Acquiring United States Government property and** 52 **Services**

53
54 (a) General Requirements and Considerations. - (1) The Secretary
55 of Transportation shall facilitate and encourage the acquisition by
56 the private sector and State governments of -

- 57 (A) launch or reentry property of the United States Government

1 that is excess or otherwise is not needed for public use; and

2 (B) launch services and reentry services, including utilities,
3 of the Government otherwise not needed for public use.

4 (2) In acting under paragraph (1) of this subsection, the
5 Secretary shall consider the commercial availability on reasonable
6 terms of substantially equivalent launch property or launch
7 services or reentry services from a domestic source, whether such
8 source is located on or off a Federal range.

9 (b) Price. - (1) In this subsection, "'direct costs'" means the
10 actual costs that -

11 (A) can be associated unambiguously with a commercial launch or
12 reentry effort; and

13 (B) the Government would not incur if there were no commercial
14 launch or reentry effort.

15 (2) In consultation with the Secretary, the head of the executive
16 agency providing the property or service under subsection (a) of
17 this section shall establish the price for the property or
18 service. The price for -

19 (A) acquiring launch property by sale or transaction instead of
20 sale is the fair market value;

21 (B) acquiring launch property (except by sale or transaction
22 instead of sale) is an amount equal to the direct costs,
23 including specific wear and tear and property damage, the
24 Government incurred because of acquisition of the property; and

25 (C) launch services or reentry services is an amount equal to
26 the direct costs, including the basic pay of Government civilian
27 and contractor personnel, the Government incurred because of
28 acquisition of the services.

29 (3) The Secretary shall ensure the establishment of uniform
30 guidelines for, and consistent implementation of, this section by
31 all Federal agencies.

32 (c) Collection by Secretary. - The Secretary may collect a
33 payment under this section with the consent of the head of the
34 executive agency establishing the price. Amounts collected under
35 this subsection shall be deposited in the Treasury. Amounts (except
36 for excess launch property) shall be credited to the appropriation
37 from which the cost of providing the property or services was paid.

38 (d) Collection by Other Governmental Heads. - The head of a
39 department, agency, or instrumentality of the Government may
40 collect a payment for an activity involved in producing a launch
41 vehicle or reentry vehicle, or the payload of either, for launch or
42 reentry if the activity was agreed to by the owner or manufacturer
43 of the launch vehicle, reentry vehicle, or payload.

44
45 **Sec. 70112. Liability insurance and financial responsibility**
46 **Requirements**

47
48 (a) General Requirements. - (1) When a launch or reentry license
49 is issued or transferred under this chapter, the licensee or
50 transferee shall obtain liability insurance or demonstrate
51 financial responsibility in amounts to compensate for the maximum
52 probable loss from claims by -

53 (A) a third party for death, bodily injury, or property damage
54 or loss resulting from an activity carried out under the license;
55 and

56 (B) the United States Government against a person for damage or
57 loss to Government property resulting from an activity carried

1 out under the license.

2 (2) The Secretary of Transportation shall determine the amounts
3 required under paragraph (1)(A) and (B) of this subsection, after
4 consulting with the Administrator of the National Aeronautics and
5 Space Administration, the Secretary of the Air Force, and the heads
6 of other appropriate executive agencies.

7 (3) For the total claims related to one launch or reentry, a
8 licensee or transferee is not required to obtain insurance or
9 demonstrate financial responsibility of more than -

10 (A) (i) \$500,000,000 under paragraph (1)(A) of this subsection;

11 or

12 (ii) \$100,000,000 under paragraph (1)(B) of this subsection; or

13 (B) the maximum liability insurance available on the world
14 market at reasonable cost if the amount is less than the
15 applicable amount in clause (A) (i) or (ii) of this paragraph.

16 (4) An insurance policy or demonstration of financial
17 responsibility under this subsection shall protect the following,
18 to the extent of their potential liability for involvement in
19 launch services or reentry services, at no cost to the Government:

20 (A) the Government.

21 (B) executive agencies and personnel, contractors, and
22 subcontractors of the Government.

23 (C) contractors, subcontractors, and customers of the licensee
24 or transferee.

25 (D) contractors and subcontractors of the customer.

26 (b) Reciprocal Waiver of Claims. - (1) A launch or reentry
27 license issued or transferred under this chapter shall contain a
28 provision requiring the licensee or transferee to make a reciprocal
29 waiver of claims with its contractors, subcontractors, and
30 customers, and contractors and subcontractors of the customers,
31 involved in launch services or reentry services under which each
32 party to the waiver agrees to be responsible for property damage or
33 loss it sustains, or for personal injury to, death of, or property
34 damage or loss sustained by its own employees resulting from an
35 activity carried out under the applicable license.

36 (2) The Secretary of Transportation shall make, for the
37 Government, executive agencies of the Government involved in launch
38 services or reentry services, and contractors and subcontractors
39 involved in launch services or reentry services, a reciprocal
40 waiver of claims with the licensee or transferee, contractors,
41 subcontractors, crew, space flight participants, and customers of
42 the licensee or transferee, and contractors and subcontractors of
43 the customers, involved in launch services or reentry services
44 under which each party to the waiver agrees to be responsible
45 for property damage or loss it sustains, or for personal injury
46 to, death of, or property damage or loss sustained by its own
47 employees or by space flight participants resulting from an activity
48 carried out under the applicable license. The waiver applies only to
49 the extent that claims are more than the amount of insurance or
50 demonstration of financial responsibility required under subsection
51 (a) (1) (B) of this section. After consulting with the Administrator
52 and the Secretary of the Air Force, the Secretary of Transportation
53 may waive, for the Government and a department, agency, and
54 instrumentality of the Government, the right to recover damages for
55 damage or loss to Government property to the extent insurance is
56 not available because of a policy exclusion the Secretary of
57 Transportation decides is usual for the type of insurance involved.

1 (c) Determination of Maximum Probable Losses. - The Secretary of
2 Transportation shall determine the maximum probable losses under
3 subsection (a)(1)(A) and (B) of this section associated with an
4 activity under a license not later than 90 days after a licensee or
5 transferee requires a determination and submits all information the
6 Secretary requires. The Secretary shall amend the determination as
7 warranted by new information.

8 (d) Annual Report. - (1) Not later than November 15 of each year,
9 the Secretary of Transportation shall submit to the Committee on
10 Commerce, Science, and Transportation of the Senate and the
11 Committee on Science of the House of Representatives a report on
12 current determinations made under subsection (c) of this section
13 related to all issued licenses and the reasons for the
14 determinations.

15 (2) Not later than May 15 of each year, the Secretary of
16 Transportation shall review the amounts specified in subsection
17 (a)(3)(A) of this section and submit a report to Congress that
18 contains proposed adjustments in the amounts to conform with
19 changed liability expectations and availability of insurance on the
20 world market. The proposed adjustment takes effect 30 days after a
21 report is submitted.

22 (e) Launches or Reentries Involving Government Facilities and
23 Personnel. - The Secretary of Transportation shall establish
24 requirements consistent with this chapter for proof of financial
25 responsibility and other assurances necessary to protect the
26 Government and its executive agencies and personnel from liability,
27 death, bodily injury, or property damage or loss as a result of a
28 launch or operation of a launch site or reentry site or a reentry
29 involving a facility or personnel of the Government. The Secretary
30 may not relieve the Government of liability under this subsection
31 for death, bodily injury, or property damage or loss resulting from
32 the willful misconduct of the Government or its agents.

33 (f) Collection and Crediting Payments. - The head of a
34 department, agency, or instrumentality of the Government shall
35 collect a payment owed for damage or loss to Government property
36 under its jurisdiction or control resulting from an activity
37 carried out under a launch or reentry license issued or transferred
38 under this chapter. The payment shall be credited to the current
39 applicable appropriation, fund, or account of the department,
40 agency, or instrumentality.

41
42 **Sec. 70113. Paying claims exceeding liability insurance and**
43 **financial responsibility requirements**
44

45 (a) General Requirements. - (1) To the extent provided in advance
46 in an appropriation law or to the extent additional legislative
47 authority is enacted providing for paying claims in a compensation
48 plan submitted under subsection (d) of this section, the Secretary
49 of Transportation shall provide for the payment by the United
50 States Government of a successful claim (including reasonable
51 litigation or settlement expenses) of a third party against a
52 licensee or transferee under this chapter, a contractor,
53 subcontractor, or customer of the licensee or transferee, or a
54 contractor or subcontractor of a customer, but not against a space
55 flight participant, resulting from an activity carried out under
56 the license issued or transferred under this chapter for death,
57 bodily injury, or property damage or loss resulting from an

1 activity carried out under the license. However, claims may be
2 paid under this section only to the extent the total amount of
3 successful claims related to one launch or reentry -

4 (A) is more than the amount of insurance or demonstration of
5 financial responsibility required under section 70112(a)(1)(A) of
6 this title; and

7 (B) is not more than \$1,500,000,000 (plus additional amounts
8 necessary to reflect inflation occurring after January 1, 1989)
9 above that insurance or financial responsibility amount.

10 (2) The Secretary may not provide for paying a part of a claim
11 for which death, bodily injury, or property damage or loss results
12 from willful misconduct by the licensee or transferee. To the
13 extent insurance required under section 70112(a)(1)(A) of this
14 title is not available to cover a successful third party liability
15 claim because of an insurance policy exclusion the Secretary
16 decides is usual for the type of insurance involved, the Secretary
17 may provide for paying the excluded claims without regard to the
18 limitation contained in section 70112(a)(1).

19 (b) Notice, Participation, and Approval. - Before a payment under
20 subsection (a) of this section is made -

21 (1) notice must be given to the Government of a claim, or a
22 civil action related to the claim, against a party described in
23 subsection (a)(1) of this section for death, bodily injury, or
24 property damage or loss;

25 (2) the Government must be given an opportunity to participate
26 or assist in the defense of the claim or action; and

27 (3) the Secretary must approve any part of a settlement to be
28 paid out of appropriations of the Government.

29 (c) Withholding Payments. - The Secretary may withhold a payment
30 under subsection (a) of this section if the Secretary certifies
31 that the amount is not reasonable. However, the Secretary shall
32 deem to be reasonable the amount of a claim finally decided by a
33 court of competent jurisdiction.

34 (d) Surveys, Reports, and Compensation Plans. - (1) If as a
35 result of an activity carried out under a license issued or
36 transferred under this chapter the total of claims related to one
37 launch or reentry is likely to be more than the amount of required
38 insurance or demonstration of financial responsibility, the
39 Secretary shall -

40 (A) survey the causes and extent of damage; and

41 (B) submit expeditiously to Congress a report on the results of
42 the survey.

43 (2) Not later than 90 days after a court determination indicates
44 that the liability for the total of claims related to one launch or
45 reentry may be more than the required amount of insurance or
46 demonstration of financial responsibility, the President, on the
47 recommendation of the Secretary, shall submit to Congress a
48 compensation plan that -

49 (A) outlines the total dollar value of the claims;

50 (B) recommends sources of amounts to pay for the claims;

51 (C) includes legislative language required to carry out the
52 plan if additional legislative authority is required; and

53 (D) for a single event or incident, may not be for more than
54 \$1,500,000,000.

55 (3) A compensation plan submitted to Congress under paragraph (2)
56 of this subsection shall -

57 (A) have an identification number; and

1 (B) be submitted to the Senate and the House of Representatives
2 on the same day and when the Senate and House are in session.

3 (e) Congressional Resolutions. - (1) In this subsection,
4 ''resolution'' -

5 (A) means a joint resolution of Congress the matter after the
6 resolving clause of which is as follows: ''That the Congress
7 approves the compensation plan numbered _ _ _ _ _ submitted to
8 the Congress on _ _ _ _ _ , 20 _ _ .'', with the blank spaces
9 being filled appropriately; but

10 (B) does not include a resolution that includes more than one
11 compensation plan.

12 (2) The Senate shall consider under this subsection a
13 compensation plan requiring additional appropriations or
14 legislative authority not later than 60 calendar days of continuous
15 session of Congress after the date on which the plan is submitted
16 to Congress.

17 (3) A resolution introduced in the Senate shall be referred
18 immediately to a committee by the President of the Senate. All
19 resolutions related to the same plan shall be referred to the same
20 committee.

21 (4) (A) If the committee of the Senate to which a resolution has
22 been referred does not report the resolution within 20 calendar
23 days after it is referred, a motion is in order to discharge the
24 committee from further consideration of the resolution or to
25 discharge the committee from further consideration of the plan.

26 (B) A motion to discharge may be made only by an individual
27 favoring the resolution and is highly privileged (except that the
28 motion may not be made after the committee has reported a
29 resolution on the plan). Debate on the motion is limited to one
30 hour, to be divided equally between those favoring and those
31 opposing the resolution. An amendment to the motion is not in
32 order. A motion to reconsider the vote by which the motion is
33 agreed to or disagreed to is not in order.

34 (C) If the motion to discharge is agreed to or disagreed to, the
35 motion may not be renewed and another motion to discharge the
36 committee from another resolution on the same plan may not be made.

37 (5) (A) After a committee of the Senate reports, or is discharged
38 from further consideration of, a resolution, a motion to proceed to
39 the consideration of the resolution is in order at any time, even
40 though a similar previous motion has been disagreed to. The motion
41 is highly privileged and is not debatable. An amendment to the
42 motion is not in order. A motion to reconsider the vote by which
43 the motion is agreed to or disagreed to is not in order.

44 (B) Debate on the resolution referred to in subparagraph (A) of
45 this paragraph is limited to not more than 10 hours, to be divided
46 equally between those favoring and those opposing the resolution.
47 A motion further to limit debate is not debatable. An amendment
48 to, or motion to recommit, the resolution is not in order. A
49 motion to reconsider the vote by which the resolution is agreed to
50 or disagreed to is not in order.

51 (6) The following shall be decided in the Senate without debate:

52 (A) a motion to postpone related to the discharge from
53 committee.

54 (B) a motion to postpone consideration of a resolution.

55 (C) a motion to proceed to the consideration of other business.

56 (D) an appeal from a decision of the chair related to the
57 application of the rules of the Senate to the procedures related

1 to a resolution.

2 (f) Application. - This section applies to a license issued or
3 transferred under this chapter for which the Secretary receives a
4 complete and valid application not later than December 31, 2009.¹
5 This section does not apply to permits.
6

7 **Sec. 70114. Disclosing information**
8

9 The Secretary of Transportation, an officer or employee of the
10 United States Government, or a person making a contract with the
11 Secretary under section 70106(b) of this title may disclose
12 information under this chapter that qualifies for an exemption
13 under section 552(b)(4) of title 5 or is designated as confidential
14 by the person or head of the executive agency providing the
15 information only if the Secretary decides withholding the
16 information is contrary to the public or national interest.
17

18 **Sec. 70115. Enforcement and penalty**
19

20 (a) Prohibitions. - A person may not violate this chapter, a
21 regulation prescribed under this chapter, or any term of a license
22 issued or transferred under this chapter.

23 (b) General Authority. - (1) In carrying out this chapter, the
24 Secretary of Transportation may -

- 25 (A) conduct investigations and inquiries;
26 (B) administer oaths;
27 (C) take affidavits; and
28 (D) under lawful process -

29 (i) enter at a reasonable time a launch site, reentry site,
30 production facility, assembly site of a launch vehicle or
31 reentry vehicle, crew or space flight participant training
32 site, or site at which a payload is integrated with
33 a launch vehicle or reentry vehicle to inspect an object to
34 which this chapter applies or a record or report the Secretary
35 requires be made or kept under this chapter; and

36 (ii) seize the object, record, or report when there is
37 probable cause to believe the object, record, or report was
38 used, is being used, or likely will be used in violation of
39 this chapter.

40 (2) The Secretary may delegate a duty or power under this chapter
41 related to enforcement to an officer or employee of another
42 executive agency with the consent of the head of the agency.

43 (c) Civil Penalty. - (1) After notice and an opportunity for a
44 hearing on the record, a person the Secretary finds to have
45 violated subsection (a) of this section is liable to the United
46 States Government for a civil penalty of not more than \$100,000. A
47 separate violation occurs for each day the violation continues.

48 (2) In conducting a hearing under paragraph (1) of this
49 subsection, the Secretary may -

- 50 (A) subpoena witnesses and records; and
51 (B) enforce a subpoena in an appropriate district court of the
52 United States.

53 (3) The Secretary shall impose the civil penalty by written
54 notice. The Secretary may compromise or remit a penalty imposed,

¹ This extension of indemnification is from P.L. 108-428, November 30, 2004.

1 or that may be imposed, under this section.

2 (4) The Secretary shall recover a civil penalty not paid after
3 the penalty is final or after a court enters a final judgment for
4 the Secretary.

5
6 **Sec. 70116. Consultation**
7

8 (a) Matters Affecting National Security. - The Secretary of
9 Transportation shall consult with the Secretary of Defense on a
10 matter under this chapter affecting national security. The
11 Secretary of Defense shall identify and notify the Secretary of
12 Transportation of a national security interest relevant to an
13 activity under this chapter.

14 (b) Matters Affecting Foreign Policy. - The Secretary of
15 Transportation shall consult with the Secretary of State on a
16 matter under this chapter affecting foreign policy. The Secretary
17 of State shall identify and notify the Secretary of Transportation
18 of a foreign policy interest or obligation relevant to an activity
19 under this chapter.

20 (c) Other Matters. - In carrying out this chapter, the Secretary
21 of Transportation shall consult with the head of another executive
22 agency -

- 23 (1) to provide consistent application of licensing requirements
24 under this chapter;
25 (2) to ensure fair treatment for all license applicants; and
26 (3) when appropriate.
27

28 **Sec. 70117. Relationship to other executive agencies, laws, and**
29 **international obligations**
30

31 (a) Executive Agencies. - Except as provided in this chapter, a
32 person is not required to obtain from an executive agency a
33 license, approval, waiver, or exemption to launch a launch vehicle
34 or operate a launch site or reentry site, or to reenter a reentry
35 vehicle.

36 (b) Federal Communications Commission and Secretary of Commerce.
37 - This chapter does not affect the authority of -

- 38 (1) the Federal Communications Commission under the
39 Communications Act of 1934 (47 U.S.C. 151 et seq.); or
40 (2) the Secretary of Commerce under the Land Remote Sensing
41 Policy Act of 1992 (15 U.S.C. 5601 et seq.).

42 (c) States and Political Subdivisions. - A State or political
43 subdivision of a State -

- 44 (1) may not adopt or have in effect a law, regulation,
45 standard, or order inconsistent with this chapter; but
46 (2) may adopt or have in effect a law, regulation, standard, or
47 order consistent with this chapter that is in addition to or more
48 stringent than a requirement of, or regulation prescribed under,
49 this chapter.

50 (d) Consultation. - The Secretary of Transportation is encouraged
51 to consult with a State to simplify and expedite the approval of a
52 space launch or reentry activity.

53 (e) Foreign Countries. - The Secretary of Transportation shall -

- 54 (1) carry out this chapter consistent with an obligation the
55 United States Government assumes in a treaty, convention, or
56 agreement in force between the Government and the government of a
57 foreign country; and

1 (2) consider applicable laws and requirements of a foreign
2 country when carrying out this chapter.

3 (f) Launch Not an Export; Reentry Not an Import. - A launch
4 vehicle, reentry vehicle, or payload that is launched or reentered
5 is not, because of the launch or reentry, an export or import,
6 respectively, for purposes of a law controlling exports or imports,
7 except that payloads launched pursuant to foreign trade zone
8 procedures as provided for under the Foreign Trade Zones Act (19
9 U.S.C. 81a-81u) shall be considered exports with regard to customs
10 entry.

11 (g) Nonapplication. - This chapter does not apply to -

12 (1) a launch, reentry, operation of a launch vehicle or reentry
13 vehicle, operation of a launch site or reentry site, or other
14 space activity the Government carries out for the Government; or

15 (2) planning or policies related to the launch, reentry,
16 operation, or activity.

17 18 **Sec. 70118. User fees**

19
20 The Secretary of Transportation may collect a user fee for a
21 regulatory or other service conducted under this chapter only if
22 specifically authorized by this chapter.

23 24 **Sec. 70119. Office of Commercial Space Transportation**

25
26 There are authorized to be appropriated to the Secretary of
27 Transportation for the activities of the Office of the Associate
28 Administrator for Commercial Space Transportation -

29 (1) \$12,607,000 for fiscal year 2001; and

30 (2) \$16,478,000 for fiscal year 2002.

31 32 **Sec. 70120. Regulations**

33
34 (a) In General. - The Secretary of Transportation, within 9
35 months after the date of the enactment of this section, shall issue
36 regulations to carry out this chapter that include -

37 (1) guidelines for industry and State governments to obtain
38 sufficient insurance coverage for potential damages to third
39 parties;

40 (2) procedures for requesting and obtaining licenses to launch
41 a commercial launch vehicle;

42 (3) procedures for requesting and obtaining operator licenses
43 for launch;

44 (4) procedures for requesting and obtaining launch site
45 operator licenses; and

46 (5) procedures for the application of government
47 indemnification.

48 (b) Reentry. - The Secretary of Transportation, within 6 months
49 after the date of the enactment of this section, shall issue a
50 notice of proposed rulemaking to carry out this chapter that
51 includes -

52 (1) procedures for requesting and obtaining licenses to reenter
53 a reentry vehicle;

54 (2) procedures for requesting and obtaining operator licenses
55 for reentry; and

56 (3) procedures for requesting and obtaining reentry site
57 operator licenses.

1 (c) Amendments. — (1) Not later than 12 months after the date
2 of enactment of the Commercial Space Launch Amendments Act of
3 2004, the Secretary shall publish proposed regulations to carry
4 out that Act, including regulations relating to crew, space flight
5 participants, and permits for launch or reentry of reusable
6 suborbital rockets. Not later than 18 months after such date of
7 enactment, the Secretary shall issue final regulations.

8 (2) (A) Starting 3 years after the date of enactment of the
9 Commercial Space Launch Amendments Act of 2004, the Secretary
10 may issue final regulations changing the definition of suborbital
11 rocket under this chapter. No such regulation may take effect
12 until 180 days after the Secretary has submitted the regulation
13 to the Congress.

14 (B) The Secretary may issue regulations under this paragraph
15 only if the Secretary has determined that the definition in
16 section 70102 does not describe, or will not continue to
17 describe, all appropriate vehicles and only those vehicles.
18 In making that determination, the Secretary shall take into
19 account the evolving nature of the commercial space launch
20 industry.

21 (d) Effective Date. — (1) Licenses for the launch or reentry of
22 launch vehicles or reentry vehicles with human beings on board
23 and permits may be issued by the Secretary prior to the issuance
24 of the regulations described in subsection (c).

25 (2) As soon as practicable after the date of enactment of the
26 Commercial Space Launch Amendments Act of 2004, the Secretary
27 shall issue guidelines or advisory circulars to guide the
28 implementation of that Act until regulations are issued.

29 (3) Notwithstanding paragraphs (1) and (2), no licenses for
30 the launch or reentry of launch vehicles or reentry vehicles with
31 human beings on board or permits may be issued starting three
32 years after the date of enactment of the Commercial Space Launch
33 Amendments Act of 2004 unless the final regulations described in
34 subsection (c) have been issued.

35 36 **Sec. 70121. Report to Congress**

37
38 The Secretary of Transportation shall submit to Congress an
39 annual report to accompany the President's budget request that —

40 (1) describes all activities undertaken under this chapter,
41 including a description of the process for the application for
42 and approval of licenses under this chapter and recommendations
43 for legislation that may further commercial launches and
44 reentries; and

45 (2) reviews the performance of the regulatory activities and
46 the effectiveness of the Office of Commercial Space
47 Transportation.